

WEST HAYMARKET JOINT PUBLIC AGENCY (JPA)
Board Meeting
October 26, 2011

Meeting Began At: 3:31 P.M.

Meeting Ended At: 4:20 P.M.

Members Present: Chris Beutler, Eugene Carroll, Tim Clare

Item 1 - Introductions and Notice of Open Meetings Law Posted by Door

Chair Beutler opened the meeting with introductions of Regent Clare and the newest Board member, Councilman Eugene Carroll. Beutler advised that the open meetings law is in effect and is posted in the back of the room.

Item 2 – Public Comment and Time Limit Notification

Beutler stated that individuals from the audience will be given a total of five minutes to speak on specific items listed on today's agenda. Those testifying should identify themselves for the official record and sign in.

Item 3 – Approval of the minutes from the JPA meeting held October 6, 2011

Beutler asked for corrections or changes to the minutes from October 6, 2011. Hearing none, Beutler motioned for approval of the minutes. Clare seconded the motion. Motion carried 2-0 with Carroll abstaining.

Item 4 – West Haymarket Progress Report

Paula Yancey, PC Sports, came forward to provide a status update on the arena and infrastructure projects. Yancey reported that Mortenson has erected the north tower crane and it is 170 feet tall. They are currently working on the south tower crane and when completed it will be over 200 feet tall. As of Tuesday, 74 production piles had been installed and after today there will be over 100. Clare asked when the pile installation began and when all of the piles will be in. Yancey stated that installation began three to four weeks ago with the test piles. The test piles took a little extra time as they had to wait for them to cure, meet load bearing capacity and verify that they were the proper strength. Pile installation will be done in two phases and will be completed once the Burlington tracks come out.

Work continues on the initial site prep project and is expected to be complete in mid December. The added turn lane on 10th Street is in progress and should be complete by Thanksgiving. Work on the USPS parking lot and R Street has been progressing rapidly. The wall has come down and R Street will be pushed through to the Haymarket site. Mortenson is starting the garage test piles on November 8th. Amtrak is finalizing their design and will be going out for bid by the end of the month. The streetscape and core area roadway design is progressing, and the pedestrian bridge and

festival space projects are also currently in design.

Clare asked if the project is currently on schedule and on budget. Yancey answered yes and added that Mortenson and their drilling contractor are moving along well. There has been great weather which is a benefit to all of the projects.

Beutler asked for comments from the public. Jane Kinsey came forward for the Watchdogs of Lincoln Government. She stated that the Watchdogs were informed that letting the fill settle for a year would have been a better approach and asked how many opinions were received and who gave them. Yancey answered that those recommendations came from the geotechnical engineer, Benesch, and the actual surcharge was on site for 30 days. Once it reached the capacity that Benesch was expecting, it was released for construction. Yancey later added that Thiele Geotechnical out of Omaha did a peer review of the geotechnical report on the surcharge.

Item 5 – Approval of Payment Registers

Steve Hubka, City Finance, informed the Board that roughly \$3.7 million was expended in September as shown on the payment register and internal billing from Engineering Services. Beutler asked about the \$596,000 payment to Nebraska Title. Rick Peo explained that the payment is for the USPS parking lot. It includes the purchase price, title insurance and closing costs.

Clare questioned if everything is on budget in terms of these expenditures. Hubka stated that they are on budget. Clare then asked if the appropriate signatures are being obtained and if the procedures for issuing payment are being double checked in preparation for a potential audit. Hubka indicated that payments are reviewed not only in his office but also by PC Sports. Steps have been taken to ensure an audit trail is properly established.

Beutler asked for public comments. Hearing none, Clare made a motion to approve the September payment registers. Carroll seconded the motion. Motion carried 3-0.

Item 6 – Review of the September 2011 Expenditure Reports

Steve Hubka stated that these reports show the expenditures compared to the budget. He will be coming back to the Board before the end of the year for some shifting within the capital budget. The changes are within the original budget amount but there will be some movement within the categories that will need to be approved.

Beutler asked for comments from the public. No one came forward.

Item 7 – Title 200 Reimbursement and Environmental Status

Miki Esposito with the Environmental Team came forward to provide a Title 200 reimbursement and environmental status report. The first round of monitoring on the diesel plume cleanup was conducted and no free product was found. Four consecutive no free product samples are needed in order to get a No Further Action Letter per DEQ regulations. The remaining samples will be taken quarterly over the next year.

The Title 200 reimbursement was submitted to the State and all but 10% was received. The maximum reimbursement is \$809,449 and the State retains 10% of the total to ensure the monitoring

period and any other work is completed. Once that is done, the State will release the 10%. Esposito pointed out that they are on schedule for the No Further Action Letters and are still under budget. Carroll asked if the final payment from the State will be received in December 2012. Esposito answered that after the monitoring period is complete a final report will have to be submitted. She would like to have the payment and No Further Action Letter by January of 2013. Clare asked if free product is found would the payment and No Further Action Letter be delayed. Esposito stated that if free product is found they would have to start the monitoring period all over again.

Beutler asked for comments from the public. No one came forward.

Item 8 – Bill No. WH 11-83 Resolution approving the Site Lease between the West Haymarket Joint Public Agency and District Energy Corporation to provide thermal services to the Arena and other buildings and facilities in the vicinity of the Arena

Dan Marvin explained that through this resolution the JPA will lease a site for \$1 to District Energy so they can build their building. The Board has previously approved agreements stating that District Energy will provide heating and cooling to the arena and other buildings within the project area. On the back end there will be an agreement to make the lease payments. Once those are paid off the asset will go to the JPA or City.

Beutler asked for comments from the public. Hearing none, Carroll made a motion to approve the resolution. Clare seconded the motion. Motion carried 3-0.

Item 9 -- WH 11-84 Resolution to approve the PC Sports Consultant Agreement between PC Sports, LLC and the West Haymarket Joint Public Agency for extended Program Management Services and extended Project Management Services (collectively “Arena Project Services”) in connection with the design and construction of multiple facilities, including the Arena, near downtown Lincoln.

Dan Marvin informed the Board that there were two firms involved with the management of this project. Earlier this year it became apparent that there was some duplication and overlapping of services. It was felt that there would be a savings if the management was consolidated to just PC Sports. Prior to PC Sports coming on board, SAIC was paid \$680,000 and after a contract was approved they were paid an additional \$586,000 through July for a total of \$1.2 million. Due to the early termination of the SAIC contract, the JPA also paid them an additional \$75,000 in demobilization costs. The contract for the full term with SAIC was for \$4.39 million, so had they stayed the total amount paid to them would have been just over \$5 million. When PC Sports was hired, they were originally going to do arena management only for \$913,000. The contract before the Board will be to cover the overall management of the entire project for \$1.9 million bringing the total amount paid to them to \$2.8 million. The difference between the full term costs of SAIC and PC Sports is \$2.2 million. The total savings after taking out the amount paid to SAIC is going to be approximately \$917,000.

Beutler asked Yancey to give an overview of their organizational chart and explain who will be doing what. Yancey stated that Jill Englehart will handle all of the administrative and office management aspects. Mike Clay, a former architect with Populous, will be focusing on the arena and overseeing the design components with DLR. Randy Swanson is handling several of the infrastructure projects as well as providing assistance on the arena due to his arena background. The newest employee, Adam Hoebelheinrich, started on Monday and he has six to seven years of

construction experience. He will help oversee MEP (Mechanical, Electrical and Plumbing) as well as the ITS project that will be implemented later in the project. They will also bring on another person in the next several weeks to handle a lot of the field observation to make sure the contractors are coordinating and providing updates. Beutler asked if there are others that will be brought in at other times. Yancey noted that they have support from their San Antonio office and Bob Crittenden, their CEO, is here as needed. As more construction begins they will see how things progress and bring on others as necessary on either a consultant or full time basis.

Beutler asked Yancey to describe how payment vouchers paid by the City are reviewed. Yancey explained that depending on the nature of the expenditure, the person directly involved reviews and approves them. All then go back through Yancey so she can input them into the master project budget and track against the contracts to date. Clare inquired about oversight of the Lincoln Haymarket Infrastructure Team (LHIT). Yancey stated that she and Swanson are providing the oversight. Yancey is handling all of the core area roadway oversight with Chad Blahak and the LHIT, and Swanson is working with the Amtrak station and Sinclair Hille. Ultimately, PC Sports and Yancey are ultimately responsible.

Beutler asked for comments from the public. Hearing none, Clare made a motion to approve the resolution. Carroll seconded the motion. Motion carried 3-0.

Item 10 -- Bill No. WH 11-85 Resolution to approve Amendment No. 4 to the Agreement for Environmental Remediation Consulting Services between Alfred Benesch & Company and the West Haymarket Joint Public Agency, West Haymarket Environmental Remediation Project, to include expanded scope of consulting services for existing Tasks 5 and 6; new Task 19 for preparation of an EPA Brownfields Cleanup Grant Application; and new Task 20 for preparation of a remedial action plan and contractual plans and specifications to support the City/JPA's procurement of remedial construction services for the BNSF Transition Property for an additional amount of \$73,648.00

Miki Esposito explained that this resolution is for authorization to spend \$73,648 on new and additional environmental work. The first item is \$2,900 for phase one environmental site assessment to clear a property of environmental defects for purposes of liability protection. The second item is for auger work oversight, the extent of which was not anticipated when this contract was originally brought forward. Mortenson will be drilling a number of pilings and while the first 3 to 5 feet of soil is free of contamination, from 5 to 13 feet is a zone of impact. This area is not necessarily contaminated to the point that it has to be removed, but there are contaminant constituents in the soil that could be a concern if they come up through the pilings. The Environmental Team is being asked to be there when those soils come up to screen it, test it, and make sure it's landfilled properly. The additional oversight will cost about \$52,000.

The third task is for \$3,000 for support by Benesch on a Brownfield Grant application. Last year the Environmental Team unsuccessfully applied for an EPA grant for assessment work. This year they would like to apply for a cleanup grant of \$200,000 for each of the Alter, Jaylynn and UP sites. Last year, Omaha received an \$800,000 Brownfield Grant and Benesch helped to write it. The team wants their expertise on the cleanup grant proposal to the EPA. The final item in this request is for the Alter sliver. The investigation of this sliver has been completed and Benesch's help is needed to put together the plan and also develop bids and specs for when a contractor is hired to do the work. This is going to be traditional remediation in which the problem areas are dug out. The cost of this item will be \$14,880.

Clare asked where the sliver is located. Esposito showed the area on a map and stated that it is south of O Street. There is a \$3 to \$5 million budget to clean up the scrap yard and former lumber yard. The investigation has been expedited because the property will be transferred to Burlington in April of 2012 for additional tracks to be built, and per the Burlington agreement the JPA is required to clean it up to EPA standards. If not for the Burlington agreement a whole new agreement could have been brought forward for the sites south of O Street. Due to Burlington's need to have the sliver ready in 2012, this piece had to be carved out and expedited.

Carroll asked if this expense comes out of the budget and has already been accounted for. Esposito answered yes and clarified that the environmental budget is separated between north of O Street and south of O Street. That was done because the cleanup of the areas that are going to be developed first, the arena in particular, have a drop dead of fall of 2013. There is not a rush on the areas south of O Street with the exception of the Alter sliver. A little over \$2 million has been spent north of O Street leaving a balance of just over \$2 million. Esposito has planned to save as much money as possible for south of O Street because that is where the critical environmental problems are. With the original budget of \$3.2 million and the remainder from north of O Street, there is about \$5 million to address the south of O Street property.

Clare noted that the resolution and contract are somewhat misleading because it looks like something came along that wasn't expected and so the scope of the Benesch contract has to be expanded. However, these items were planned for from the start in the initial budget, so that is not the case. Rick Peo came forward and explained that when the contract was entered into the scope of services wasn't identified for each phase because some were several months away. The initial contract had certain elements to be conducted and new work is added by contract amendment. In that sense it is an expansion because it is new work for this contractor even though it is known that more work will be added over time. The LHIT contract is handled in the same way. There are projects identified that will be added by amendment. Esposito added that it is difficult to define the scope and include new tasks until the investigation is completed.

Carroll clarified that the scope is being expanded on tasks 5 and 6 which are north of O Street and tasks 19 and 20 are new, so this resolution only expands the scope on tasks that are already being performed.

Beutler asked for comments from the public. Hearing none, Carroll made a motion to approve the resolution. Clare seconded the motion. Motion carried 3-0.

Item 11 -- Bill No. WH 11-86 Resolution to approve the Contract Agreement between Terracon Consultants Inc. and the West Haymarket Joint Public Agency for West Haymarket Arena and Garage Special Inspections.

Paula Yancey stated that this resolution is for Terracon Consultants to provide special inspections for the arena, arena garage and ramp project. The scope of work includes all of the concrete testing, structural steel testing and precast and shop inspections. The total price for this work is \$699,475 which is within the previously established budget. Requests for Proposals were issued through the City of Lincoln's Purchasing Department in the e-bid system. Interviews were held and Terracon was selected. Yancey recommended approval of this contract.

Beutler asked if Yancey is satisfied with the living wage language in this contract. Yancey stated that she is satisfied and has been through it in detail. Clare asked where Terracon is from. Yancey

answered that they are nationwide with offices in Lincoln and Omaha. They have experience in buildings of this magnitude especially the long span roof structure systems which is critical to make sure the welds and connections are made properly.

Clare noted that there are a lot of college students that would appreciate the opportunity for an internship. Brad Levich, the Terracon Office Manager in Lincoln, came forward and stated that he will be advertising for interns and currently has an ad out for employees.

Hearing no other comments, Carroll made a motion to approve the resolution. Clare seconded the motion. Motion carried 3-0.

Item 12 -- Set Next Meeting Date

The next meeting will be held on Wednesday November 16th at 3:30 in the City-County Building Room 303

Item 13 – Motion to Adjourn

Carroll made a motion to adjourn the meeting. Clare seconded the motion. Motion carried 3-0. Meeting adjourned at 4:20 P.M.

Prepared by: Melissa Ramos-Lammli, Public Works and Utilities